

**OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)**

API NUMBER: 011 24363

Approval Date: 05/15/2023
Expiration Date: 11/15/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 34 Township: 14N Range: 13W County: BLAINE

SPOT LOCATION: SW NE NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 485 1940

Lease Name: **TURTLE WITH WIND** Well No: **3-27H** Well will be **485** feet from nearest unit or lease boundary.
Operator Name: **DUNCAN OIL PROPERTIES INC** Telephone: 4052721800 OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC
100 N BRAODWAY STE 2500
OKLAHOMA CITY, OK 73102-8023

MILES MCKINLEY
98312 N 2520 ROAD
GEARY OK 73040

Formation(s) (Permit Valid for Listed Formations Only):

| Name | Code | Depth |
|------------|---------|-------|
| 1 CHEROKEE | 404CHRK | 10560 |

Spacing Orders: 106899 Location Exception Orders: 732770 Increased Density Orders: 732646

Pending CD Numbers: **No Pending** Working interest owners' notified: DNA Special Orders: **No Special**

Total Depth: 16000 Ground Elevation: 1465 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 220

Deep surface casing has been approved

| Approved Method for disposal of Drilling Fluids: | |
|---|---------------------|
| D. One time land application -- (REQUIRES PERMIT) | PERMIT NO: 23-39017 |
| H. (Other) | SEE MEMO |

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits
Type of Mud System: WATER BASED
Chlorides Max: 8000 Average: 5000
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? N
Wellhead Protection Area? N
Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: ALLUVIAL
Pit Location Formation: ALLUVIUM

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? N
Wellhead Protection Area? N
Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: ALLUVIAL
Pit Location Formation: ALLUVIUM

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 MONTHS, except as otherwise provided by Rule 165: 10-3-1. Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

| HORIZONTAL HOLE 1 | | | | | |
|--------------------------------|----------------|------------------------|--------------|-----------------------------------|--|
| Section: 27 | Township: 14N | Range: 13W | Meridian: IM | Total Length: 4914 | |
| | County: BLAINE | | | Measured Total Depth: 16000 | |
| Spot Location of End Point: W2 | NE | NW | NE | True Vertical Depth: 11000 | |
| Feet From: NORTH | | 1/4 Section Line: 330 | | End Point Location from | |
| Feet From: EAST | | 1/4 Section Line: 1940 | | Lease,Unit, or Property Line: 330 | |

| NOTES: | |
|-----------------------------|--|
| Category | Description |
| DEEP SURFACE CASING | [5/15/2023 - GC2] - APPROVED; (1) NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. (2) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED DEEP SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. |
| HYDRAULIC FRACTURING | [5/15/2023 - GC2] - OCC 165:10-3-10 REQUIRES: 1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN; 2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NH SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS ; AND, 3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG |
| INCREASED DENSITY - 732646 | [5/15/2023 - GC2] - 27-14N-13W X106899 CHRK 1 WELL NO OP NAMED 3/8/2023 |
| INTERMEDIATE CASING | [5/15/2023 - GC2] - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES |
| LOCATION EXCEPTION - 732770 | [5/15/2023 - GC2] - (I.O.) 27-14N-13W X106899 CHRK COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 660' FEL DUNCAN OIL PROPERTIES 3/13/2023 |
| MEMO | [5/15/2023 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - CANADIAN RIVER), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT |
| SPACING - 106899 | [5/15/2023 - GC2] - (640) 27-14N-13W EXT 42137/102663 CHRK EXT OTHERS |

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